

Road Use Tax Fund Efficiency Report

Savings Status

As of December 31, 2012

Efficiency opportunity	Estimated savings	Savings to Date
Program Efficiencies - \$38.5 million		
<p>Post-letting project costs \$10 million savings per year by reducing program line item by \$10 million (Extra work orders and project changes).</p> <p>Through improved cost control and budgeting initiatives, the Commission has reduced that amount of funding set aside each year to cover post-letting project costs resulting from extra work orders and project changes. Previously, the Commission programmed \$20 million per year to cover these costs and with the 2013-2017 Transportation Improvement Program, that amount has been reduced by \$10 million per year. This fully implements the recommendation from the RUTF Efficiency Report.</p>	\$10 million annually	\$10 Million
<p>Rest areas and commercial motor vehicle weigh stations \$0.5 million savings by reducing annual rest area maintenance costs due to completion of a safety related infrastructure improvement program.</p> <p>I-35 Ankeny rest area was programmed for \$11.1 million in 2012, now programmed for \$10.1 million in 2013. The reduction was a result of design modifications intended to reduce the cost of the facility. Changes included reduction of the building footprint, substitution of a less costly heating/cooling system, reducing art and cultural components throughout the building and sites, reduction of the size of the parking areas, and a number of other less impactful changes.</p>	<p>\$1.5 million Annually</p> <p>\$1.0 million in one-time savings</p>	<p>\$0.5 Million</p> <p>\$1.0 Million</p>
<p>Revenue collection Implement mechanisms to assure collection of state road fund revenue is done uniformly, effectively and efficiently, while maximizing revenue collected. The Iowa DOT administers the collection of several components of state road funding.</p>	\$8 million annually	

Statewide roadside improvements \$1.0 million savings by reducing program line item for roadside vegetation by \$1.0 million annually.	\$1 million annually	\$1.0 Million
Statewide traffic control devices \$1.0 million savings by reducing program line item by \$1.0 million in 2013. Reductions will be applied to the dynamic message sign purchase program and the specialty pavement marking program.	\$1 million in one-time savings	\$1.0 Million
Right of way parcels \$0.5 million annual savings by eliminating annual Corridor Preservation program line item. In addition, a \$1,658,047 gain was realized through the sale of excess right of way during the period of January 2012 through December 2012.	\$1 million annually	\$2.2 Million
Asset management \$11.0 million savings in 2015 for Non-Interstate Pavement Modernization-resurface, restore, rehabilitate. Through the implementation of more aggressive asset management practices, the Commission was able to reduce the amount of funding programmed for non-Interstate pavement modernization projects by \$11 million in FY 2015. This was accomplished by greater use of preventative maintenance projects and the use of tools that assist in determining the most cost-effective timing and selection of pavement modernization projects. The \$11 million savings implemented in the 2013-2017 Transportation Improvement Program meets the goal of the RUTF Efficiency Report; however, additional initiatives are underway to secure additional savings at the state level and also in partnership with local jurisdictions.	\$11 million in one-time savings	\$11 Million
Highway project concepts Iowa 330 project was programmed for \$10.4 million in 2012 and 2013, now a 3R project for \$2.5 million. In addition to Iowa 330, concept/design changes on 9 other projects resulted in additional savings of \$3.9 million for a total of \$11.8 million to date.	\$5 million in one-time savings over five years	\$11.8 million

Partnership Efficiencies – \$11.5 million		
Surface Transportation Program (STP) Develop, in conjunction with the regional planning affiliations and metropolitan planning organizations and other stakeholder groups, a process to exchange STP federal funds for Primary Highway System funds for the purpose of reducing the number of small projects that have to meet onerous federal requirements. In order to implement this recommendation, legislative action is required to eliminate the restriction on using Primary Road Fund revenue on local jurisdiction roadways in exchange for a portion of their federal STP funding. This past session, Iowa DOT worked with legislators to introduce a bill in both the House and the Senate to eliminate this Code restriction. Bills were discussed at the subcommittee level in both the House and Senate but did not proceed because of the need to have further discussions with impacted parties. Prior to next session, discussions will occur amongst all impacted parties to reach consensus on how this recommendation could be implemented. With that consensus in place prior to next session, it is anticipated that the bills can be reintroduced next session.	\$5 million annually	
Local jurisdiction partnerships for roadway maintenance Review, in partnership with local jurisdictions, opportunities to maximize resources utilized for roadway maintenance activities. Iowa DOT staff has contacted counties across Iowa to assess their level of interest in partnering with the Iowa DOT in providing maintenance services. Several counties have expressed an interest and discussions are ongoing with potential implementation by the end of calendar year 2012. Three pilot agreements have been entered into with counties resulting in operational efficiencies for the department but little to no direct operations budget savings.	\$0.5 million annually	
Iowa DOT facilities, fleet and printing operations Review Iowa DOT facilities, fleet and printing operations to assess opportunities to reduce, consolidate and/or privatize.	\$0.5 million annually	
Regulatory permitting process Partner with regulatory permitting agencies to streamline the permitting process to reduce time and cost.	\$0.5 million annually	
Motor vehicle enforcement Facilitate Iowa DOT and Iowa Department of Public Safety integration in related mission areas to capitalize on expertise; thus, ensuring the success of both departments.	\$5 million annually	
Total annual savings: Total one-time savings:	\$33 million \$17 million	\$13.7 Million \$24.8 Million